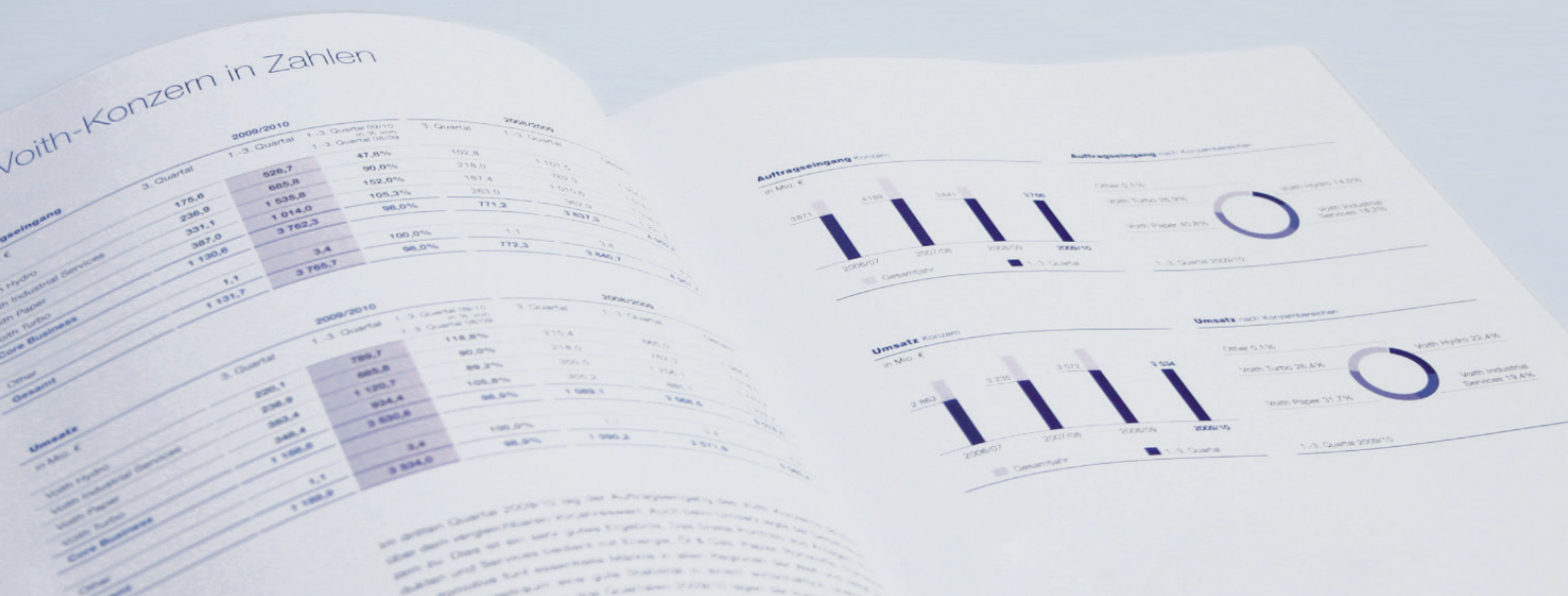


Voith AG Group Report 3rd Quarter 2009/2010



Imprint

Published by

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Voith Group in Figures

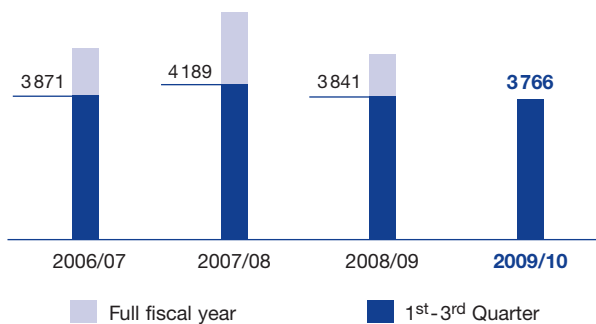
Orders received				2009/2010			2008/2009		
€ in millions	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total			
Voith Hydro	175.6	526.7	47.8%	102.8	1 101.5	1 304.5			
Voith Industrial Services	236.9	685.8	90.0%	218.0	762.3	1 018.5			
Voith Paper	331.1	1 535.8	152.0%	187.4	1 010.6	1 338.0			
Voith Turbo	387.0	1 014.0	105.3%	263.0	962.9	1 291.8			
Core Business	1 130.6	3 762.3	98.0%	771.2	3 837.3	4 952.8			
Other	1.1	3.4		1.1	3.4	4.9			
Total	1 131.7	3 765.7	98.0%	772.3	3 840.7	4 957.7			

Sales				2009/2010			2008/2009		
€ in millions	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total			
Voith Hydro	220.1	789.7	118.8%	215.4	665.0	1 084.6			
Voith Industrial Services	236.9	685.8	90.0%	218.0	762.3	1 018.5			
Voith Paper	383.4	1 120.7	89.2%	350.5	1 256.1	1 743.2			
Voith Turbo	348.4	934.4	105.6%	305.2	885.1	1 232.2			
Core Business	1 188.8	3 530.6	98.9%	1 089.1	3 568.5	5 078.5			
Other	1.1	3.4		1.1	3.4	4.9			
Total	1 189.9	3 534.0	98.9%	1 090.2	3 571.9	5 083.4			

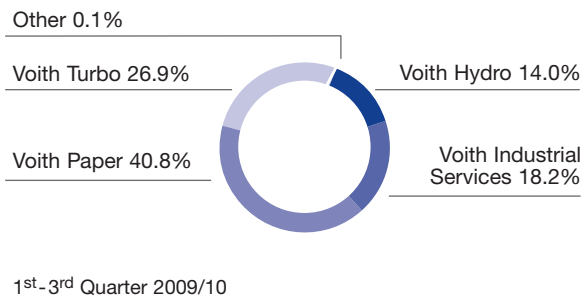
In the third quarter of fiscal 2009/10, orders received by the Voith Group were significantly higher than in the same period a year ago. Sales too were up year on year throughout the Group. Voith's extensive portfolio of industrial systems, products and services caters to five essential markets – energy, oil & gas, paper, raw materials and transportation & automotive – in all regions of the world. In the period under review, this diversified footprint once again ensured healthy stability in a patchy economic context. In the first three quarters of fiscal 2009/10, cumulative orders received and sales were both on a par with the previous year's figures. The order intake was higher than sales, laying a firm foundation for the fiscal year ahead.

Orders received Group

€ in millions

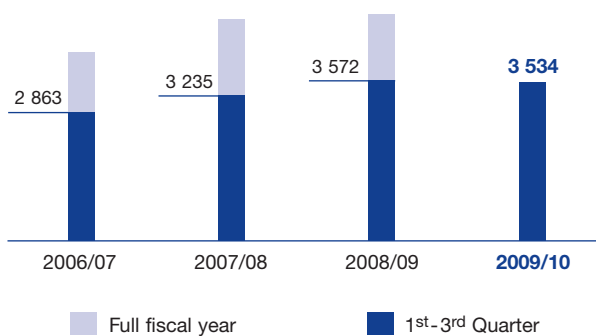


Orders received by Divisions

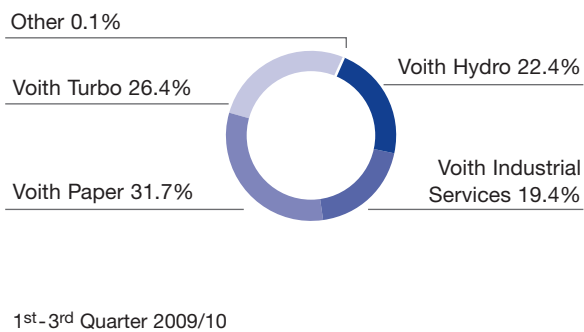


Sales Group

€ in millions



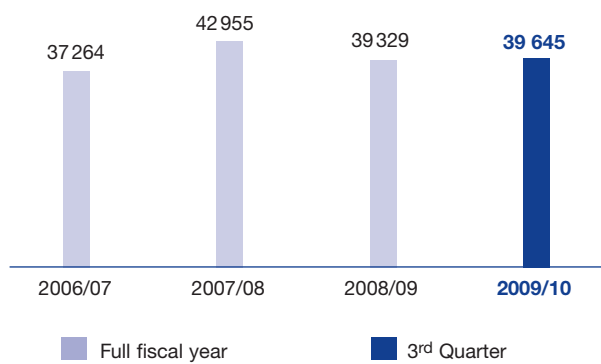
Sales by Divisions



Employees	2010			2009	2008	2007	2006
	June, 30	% comp. to prev. year	March, 31	Sept., 30	Sept., 30	Sept., 30	Sept., 30
without apprentices							
Voith Hydro	5 505	117.6%	5 333	4 681	3 643	2 834	2 436
Voith Industrial Services	18 835	98.5%	18 272	19 118	22 871	18 908	16 858
Voith Paper	9 293	97.8%	9 247	9 500	10 548	10 081	9 977
Voith Turbo	5 393	99.4%	5 379	5 428	5 307	4 814	4 264
Core Business	39 026	100.8%	38 231	38 727	42 369	36 637	33 535
Other	619		614	602	586	627	550
Total	39 645	100.8%	38 845	39 329	42 955	37 264	34 085

The total number of people employed by the Voith Group rose slightly in the quarter under review. All four Group Divisions saw a modest increase in staffing levels in the third quarter, with Voith Hydro and Voith Industrial Services reporting the strongest gains. Compared to fiscal year-end 2008/09, however, only Voith Hydro had more employees on its books, with the most significant increase in headcount in Brazil. The other three Group Divisions – Industrial Services, Paper and Turbo – all had slightly shorter payrolls than on September 30, 2009.

Employees Group



Commentary

The global economy continued to recover in the period under review. Asia (China and India) and Brazil were the mainstay of this positive development. Signs of a slow recovery also appeared in the USA, whereas the euro zone lagged behind this nascent trend. The International Monetary Fund (IMF) now expects to see the world's GDP grow by 4.6% in 2010 as a whole.

In the context of this gradual global economic recovery, Voith can look back on what has so far been a successful fiscal year. Its broad portfolio kept the course of business stable over the first nine months of fiscal 2009/10. The recovery made an impact on the business development especially in the third quarter, in which the Group experienced a substantial jump in orders in some early cyclical markets and stable sales development overall.

The hydro power market responded more slowly to the economic crisis, as expected, and remained fairly lifeless in the third quarter of fiscal 2009/10. No larger projects at all have yet been awarded this fiscal year in Brazil and India, two major sales markets. Voith Hydro has, however, gained a reasonable share of the few projects awarded worldwide. In the third quarter of fiscal 2009/10, new orders were slightly up on the same period a year earlier, which was very flat due to the economic situation. However, the cumulative order intake for the first nine months of the current fiscal year is still tangibly below the corresponding figure for fiscal 2008/09. Small Hydro and Large Hydro both gained some ground in the quarter under review, whereas business declined in the Automation and Aftermarket Business divisions. Projects from North America made the main contribution to new orders; and although further projects are expected to be awarded before year-end, it is not yet clear whether these will affect Voith's figures this fiscal year or next. Third-quarter sales remained roughly unchanged from the same period a year ago and were thus in line with expectations. Cumulative sales for the first nine months of fiscal 2009/10 were up year on year.

Voith Industrial Services benefited from the global economic recovery in the period under review, seeing its sales increase compared to the same period in fiscal 2008/09. Its cumulative sales figure for the first nine months of the current fiscal year was slightly down on the previous year. There is no clear pattern to developments within this Group Division. While business at Engineering Services declined in the third quarter of fiscal 2009/10, all other divisions showed signs of recovery. Industrial Services Asia and Facility Services Americas recorded the strongest growth in percentage terms in the quarter under review. Process Services and Facility Services Europe, the two largest divisions,

also had a strong third quarter, benefiting from a general recovery in the markets they serve. Orders won by the Rail Services division in particular and very good capacity utilization in downtime management activities for refineries were largely responsible for growth at Process Services. Activities in the automotive market likewise gathered noticeable momentum after dropping off sharply in the previous year.

The paper industry, generally responding swiftly to global economic cycles, continued to recover. China was the main source of stimulus in large-scale plant engineering. Voith Paper can be very pleased with the third quarter of fiscal 2009/10, in which orders received exceeded expectations. Both the quarterly order intake and the cumulative figure for the first nine months of the current fiscal year were well up on the previous year. Voith Paper's Systems division (new plants and major rebuilds) attracted a large volume of new orders from China in the quarter under review. Orders were placed for machines to produce both packaging and tissue papers. The Products, Consumables and Services division was able to profit from stronger demand. Continual development and renewal of its product range, especially in paper machine clothing and roll covers, was very well received by the market. After dipping in the first half of fiscal 2009/10 due to a flat order intake, sales posted a modest increase in the third quarter. Cumulative sales for the first nine months of the current fiscal year were still down on the previous year, however.

Compared to the previous year, the business climate improved in the markets of relevance to Voith Turbo, with significant growth stimulus emanating from Asia. This Group Division had a successful third quarter, attracting a substantially higher volume of new orders than in the same period a year ago. The cumulative figure for the first nine months of fiscal 2009/10 too showed a slight gain in new orders. Voith Turbo also posted a moderate increase in sales both in the third quarter of fiscal 2009/10 and for the first nine months. All four divisions advanced in the quarter under review. The Industry division again recorded more new orders in the third quarter than in the same period in fiscal 2008/09. Even stronger growth was achieved by the Rail division, which landed several orders from China and Brazil in the period under review. The Road division benefited from influences such as a recovery in the truck market. Marine saw a healthy jump in new orders in the quarter under review, although the order position in the shipping market generally remains difficult.

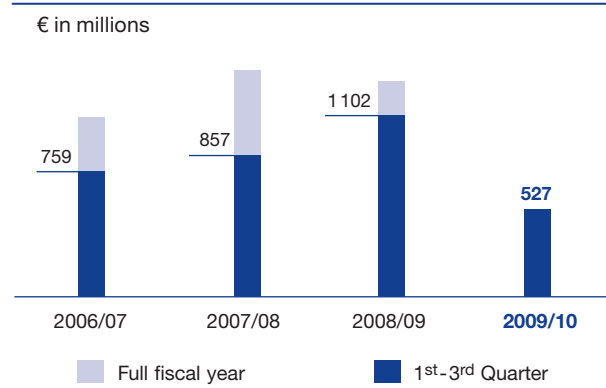
Group Divisions in Figures

Voith Hydro

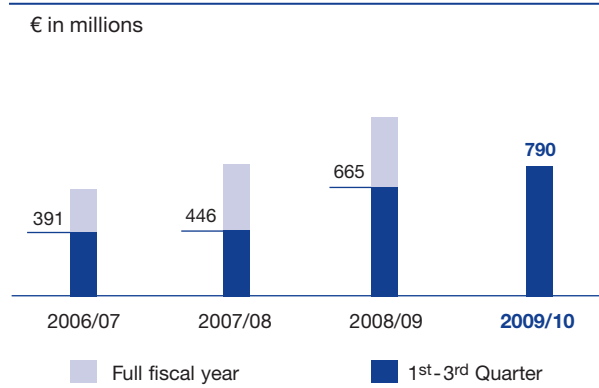
€ in millions	2009/2010			2008/2009		
	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total
Large Hydro	121.7	331.7	37.3%	29.3	888.9	1 014.9
Small Hydro	35.1	108.0	120.3%	27.4	89.8	130.0
Automation	7.4	37.1	60.8%	27.1	61.0	69.9
Aftermarket Business	9.4	46.9	76.4%	20.0	61.4	88.8
Others	2.0	3.0		(1.0)	0.4	0.9
Total	175.6	526.7	47.8%	102.8	1 101.5	1 304.5

€ in millions	2009/2010			2008/2009		
	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total
Large Hydro	165.1	602.9	125.1%	151.1	481.9	826.2
Small Hydro	21.4	72.0	75.4%	34.4	95.5	122.8
Automation	18.2	51.1	119.1%	16.8	42.9	63.7
Aftermarket Business	14.6	62.1	141.8%	12.5	43.8	70.2
Others	0.8	1.6		0.6	0.9	1.7
Total	220.1	789.7	118.8%	215.4	665.0	1 084.6

Orders received Voith Hydro



Sales Voith Hydro



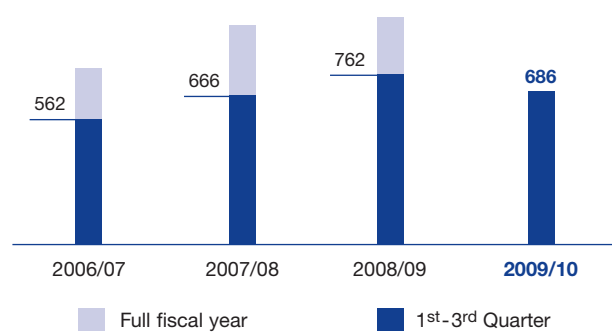
Voith Industrial Services

€ in millions	2009/2010			2008/2009		
	3rd Quarter	1st-3rd Quarter	1st-3rd Quarter 09/10 in % of 1st-3rd Quarter 08/09	3rd Quarter	1st-3rd Quarter	Total
Facility Services Europe	76.8	228.1	94.7%	72.4	240.8	318.4
Facility Services Americas	45.9	135.5	100.0%	38.6	135.5	175.5
Industrial Services Asia	1.8	4.9	83.1%	1.3	5.9	7.5
Process Services	98.8	275.7	88.1%	90.6	313.0	436.6
Engineering Services	13.6	41.6	62.0%	15.1	67.1	80.5
Total	236.9	685.8	90.0%	218.0	762.3	1 018.5

€ in millions	2009/2010			2008/2009		
	3rd Quarter	1st-3rd Quarter	1st-3rd Quarter 09/10 in % of 1st-3rd Quarter 08/09	3rd Quarter	1st-3rd Quarter	Total
Facility Services Europe	76.8	228.1	94.7%	72.4	240.8	318.4
Facility Services Americas	45.9	135.5	100.0%	38.6	135.5	175.5
Industrial Services Asia	1.8	4.9	83.1%	1.3	5.9	7.5
Process Services	98.8	275.7	88.1%	90.6	313.0	436.6
Engineering Services	13.6	41.6	62.0%	15.1	67.1	80.5
Total	236.9	685.8	90.0%	218.0	762.3	1 018.5

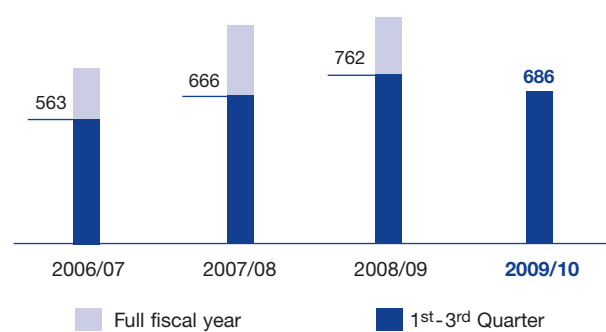
Orders received Voith Industrial Services

€ in millions



Sales Voith Industrial Services

€ in millions

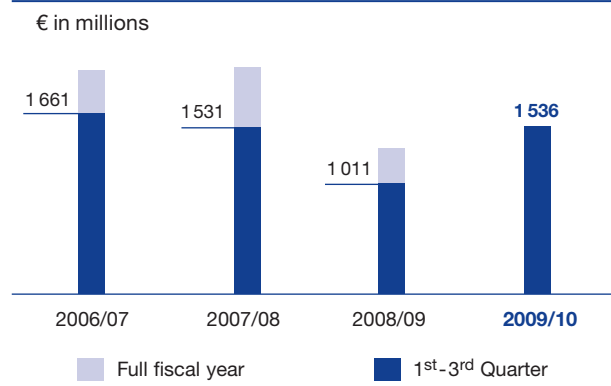


Voith Paper

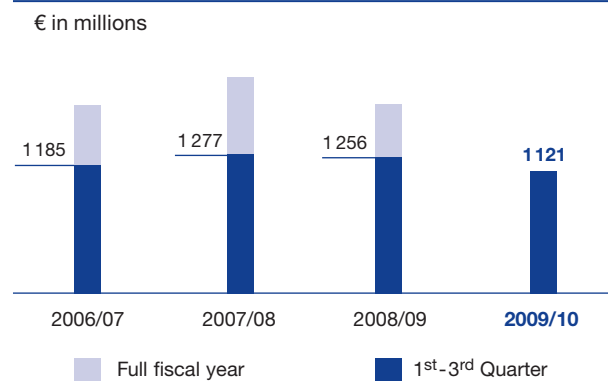
€ in millions	2009/2010			2008/2009		
	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total
Systems	130.6	959.0	180.4%	38.1	531.5	698.4
Products, Consumables and Services	200.5	576.8	120.4%	149.3	479.1	639.6
Total	331.1	1 535.8	152.0%	187.4	1 010.6	1 338.0

€ in millions	2009/2010			2008/2009		
	3 rd Quarter	1 st -3 rd Quarter	1 st -3 rd Quarter 09/10 in % of 1 st -3 rd Quarter 08/09	3 rd Quarter	1 st -3 rd Quarter	Total
Systems	201.8	607.8	81.8%	193.2	743.0	1 048.9
Products, Consumables and Services	181.6	512.9	100.0%	157.3	513.1	694.3
Total	383.4	1 120.7	89.2%	350.5	1 256.1	1 743.2

Orders received Voith Paper



Sales Voith Paper



Voith Turbo

Orders received

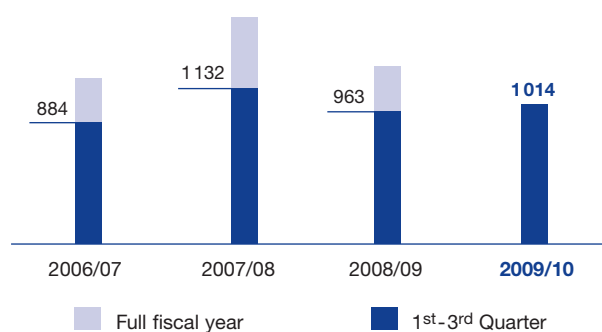
€ in millions	2009/2010			2008/2009		
	3rd Quarter	1st-3rd Quarter	1st-3rd Quarter 09/10 in % of 1st-3rd Quarter 08/09	3rd Quarter	1st-3rd Quarter	Total
Industry	142.9	366.3	87.3%	112.5	419.7	519.7
Road	78.5	212.1	105.2%	66.3	201.6	275.2
Rail	135.5	387.5	128.3%	72.8	302.0	422.2
Marine	26.5	37.1	134.9%	7.0	27.5	56.7
VGA Trading, Holdings	3.6	11.0	90.9%	4.4	12.1	18.0
Total	387.0	1 014.0	105.3%	263.0	962.9	1 291.8

Sales

€ in millions	2009/2010			2008/2009		
	3rd Quarter	1st-3rd Quarter	1st-3rd Quarter 09/10 in % of 1st-3rd Quarter 08/09	3rd Quarter	1st-3rd Quarter	Total
Industry	145.6	399.4	102.3%	138.3	390.3	520.8
Road	77.3	203.4	102.0%	64.6	199.5	270.1
Rail	102.6	267.8	115.7%	82.6	231.5	337.9
Marine	18.8	51.7	102.8%	14.7	50.3	85.4
VGA Trading, Holdings	4.1	12.1	89.6%	5.0	13.5	18.0
Total	348.4	934.4	105.6%	305.2	885.1	1 232.2

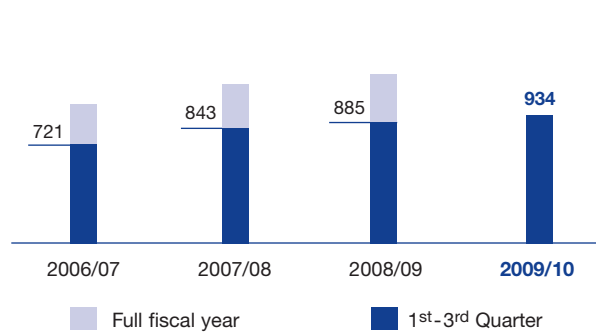
Orders received Voith Turbo

€ in millions



Sales Voith Turbo

€ in millions



Significant Events

June 2010

Voith Hydro signs a contract worth more than €50 million – the largest order it has ever received from Norway. Over the next six years, the Group Division will supply the full complement of electromechanical powerhouse equipment needed by the Raanaasfoss III power plant. Six new vertical propeller turbines will be installed on top of the existing draft tubes, minimizing the impact on the watercourse and existing civil engineering structures.

Voith Industrial Services takes on the job of providing detail engineering services for Shell Deutschland Oil GmbH and TIB Chemicals. On behalf of Shell, Voith's engineers will develop the implementation documents for expansion of the convection zones in a furnace. TIB will be supplied with the design and implementation plans for a multi-functional facility.

The Technical Association of Pulp & Paper Industries (TAPPI) presents this year's Sasaki Award to the Japanese joint venture between Voith Paper and IHI Corporation. The prize was awarded for the LP Screen, an exceptionally energy-efficient sorter that needs only half the specific energy of conventional screens.

Voith Turbo wins a large order from India as industrial group Bharat Heavy Electricals Limited (BHEL) orders a total of 27 geared variable-speed couplings to control the boiler feed pumps used in power plants.

Voith Turbo receives an initial order for type-10 Scharfenberg couplings for the new intercity trains due to go into service in the Chinese province of Guangdong.

Investment company Paribus commissions to Voith Turbo to supply 15 Gravita locomotives.

As part of a project to modernize its local public transport infrastructure, Cyprus is deploying automatic transmissions in its urban bus service for the first time. Phase one will involve Voith Turbo supplying 150 DIWA transmissions to the Mediterranean island.

May 2010

Construction work to expand the Holtwood hydro power plant on the Susquehanna River in the USA begins. Voith Hydro is supplying two Kaplan machines whose 125 Megawatt output will more than double the plant's capacity, delivering enough electricity for 100 000 American homes. Water from the Susquehanna River has already been used to generate environmentally friendly electricity for 100 years.

Pursuant to a contract signed in Austria, Voith Hydro will now restore the Rodundwerk II plant that was damaged by fire last summer. At the same time, the pumped storage plant will be optimized in terms of both operational and energy efficiency. Due to go online at the end of 2011, the high-efficiency pump-turbine will feature a fast start-up curve and rapid response times. It will also assume an important role in stabilizing the power grid.

Hörmann Poland (part of the Voith Industrial Services Group Division) signs an open-ended master agreement for the servicing of production facilities and machinery with SKF Polska.

On the island of Hainan in China's southernmost province, the largest fine paper machine ever to be built goes into operation for Asia Pulp & Paper. Built by Voith Paper, the Hainan PM2 is 11.80 meters wide and 430 meters long. The machine is instrumental in minimizing the consumption of fresh water and pulp.

A new Voith paper machine goes into service for Japanese papermaker Oji Paper in the Chinese province of Jiangsu, near Shanghai. The Oji Nantong PM1 has an annual capacity of 400 000 tons.

For the first time ever, a Chinese manufacturer begins exporting diesel railcars – and equips them with drive systems from Voith Turbo. To this end, CSR Puzhen Rolling Stock orders 42 RailPacks, complete with cooling systems and wheelset transmissions.

Voith Turbo receives an initial order for electric railcars for the South American market. The railcars are to be deployed on suburban lines around Rio de Janeiro.

In collaboration with Canadian naval architects Robert Allan Ltd., Voith Turbo begins to market the new RAVE tug design concept. The longitudinal alignment of several Voith Schneider Propellers will give vessels sufficient maneuverability to be deployed even in narrow harbor and channel contexts.

April 2010

At the end of April, Voith Hydro customer E.ON officially launches its Waldeck I pumped storage plant in the German state of Hesse. Dating back to the 1930s, the plant has been modernized and extended to include a new pit power plant. The original turbines fitted when the plant was first opened were also supplied by Voith. Two of these machines are still in use today.

Voith Industrial Services signs two maintenance and service agreements with wind farm operators. Voith will now handle maintenance of a Vestas wind farm with a total output of 28 Megawatts on behalf of Potsdam-based e.disnatur Erneuerbare Energien GmbH. Ostwind Projekt GmbH too has commissioned Voith Industrial Services to maintain and service its 14.45-Megawatt Gamesa wind farms.

Hörmann Poland (Voith Industrial Services) extends its contract with the MAN factory in Niepolomice for another year. The contract covers maintenance and facility management services relating to the truck assembly line and will now run through July 2011.

Brazilian railcar manufacturer Bom Sinal orders 23 more DIWAPacks from Voith Turbo, having already ordered more than 50 of these drive systems over the past 12 months.

Voith Turbo receives its first-ever order to equip special-purpose vessels for use in the construction of offshore wind farms. Norway's Fred Olsen Windcarrier AS is having two of its special-purpose vessels fitted with three Voith Schneider Propellers each. The vessels will be launched in 2012.

March 2010

Dr. Michael Rogowski steps down from office as both Chairman of the Shareholders' Committee and Chairman of the Supervisory Board of Voith AG. He is succeeded by Dr. Manfred Bischoff, Chairman of the Supervisory Board of Daimler AG and a member of both Voith bodies since 1999.

Voith Hydro inaugurates a new manufacturing workshop in India. In future, small hydro components and runners with a capacity up to 30 Megawatts will be manufactured at the Vadodara location.

Voith Industrial Services Brazil puts a team of 80 staff to work providing mainly maintenance, machine fitting and machine installation services to the Brazilian Petrobras group.

Voith Industrial Services China supports its customer Airbus in Tianjin with a service portfolio including maintenance of the assembly unit and the provision of tools, production materials and paint shop accessories, for example.

In the presence of Stefan Mappus, Prime Minister of the German state of Baden-Württemberg, Voith Turbo inaugurates a new transmission plant in Heidenheim-Mergelstetten. The plant will produce components for high-speed trains and final drives for local and regional transport applications.

Voith Turbo gains a foothold on the US hybrid market in collaboration with American bus vendor Gillig. Initial DIWAhybrid systems are already up and running in Concord (California), Ames (Iowa) and Johnsonburg (Pennsylvania).

February 2010

A pioneering project in the field of ocean energy was given the go-ahead in Seoul, South Korea in the presence of Germany's Federal President Horst Köhler. Outside the coast of the Jeollanam-do province the "Seaturtle Tidal Park" project will see the world's largest tidal current power park.

Cascades presents Voith Paper with its Sustainable Development Supplier Award, which the Canadian papermaker gives for the first time. Special emphasis on resource conservation in Voith Paper's business philosophy clinched the decision.

In Hyderabad, India, Voith Turbo opens a new factory for Scharfenberg couplers. The new plant will in future supply couplers directly to the Indian market. Voith Turbo also plans to set up a competence center for electric connecting couplers at the same site.

January 2010

Hörmann Poland (Voith Industrial Services) extends its contract for maintenance and facility management services at the Volkswagen engine factory in Polkowice.

Chinese papermaker Shandong Sun Paper commissions Voith Paper to supply a complete paper machine. Starting in mid-2011, the Yanzhou PM 24 will produce high-grade LWC papers.

ZOS Vrutky and the Slovakian national rail carrier order Voith Turbo components to be deployed in passenger transport railcars within Slovakia as of the end of 2010.

Voith Turbo receives a strategically important order from Brazil: ArcelorMittal becomes the first South American customer to order cardan shafts with a diameter of more than a meter. The shafts are to be delivered in February 2011.

December 2009

Voith Industrial Services extends its existing housekeeping contract with General Motors.

Voith Industrial Services Paper extends its maintenance contract at Rhein Papier in Hürth, Germany. The objective of this order is to raise productivity at Rhein Papier by optimizing maintenance and leveraging relevant expertise in close collaboration with Voith Paper.

Voith Industrial Services Mechanical Engineering extends its master agreement with Infi-
neon in Dresden. The agreement covers maintenance and production services at the Dresden facility.

South Africa's National Ports Authority orders two water tractors – each driven by two Voith Schneider Propellers – for Port Ngqura, the largest deep-sea port on the Cape.

November 2009

Voith Industrial Services Engineering wins another order from Vossloh in Kiel, Germany, and will now oversee the process of fitting the engine in a new family of locomotives.

The Chemnitz-based Technology Center of Voith Industrial Services Engineering will handle the design and production of a control system for VW Saxony's Bentley bodywork activities. During the construction of Bentley automobiles, the system will ensure that every bodywork component fits perfectly.

Voith Industrial Services receives orders from Polysius AG to replace tire bores for cement and lime rotary kilns at two cement factories.

Vienna-based DIW Austria is awarded an open-ended master agreement to provide a variety of facility services for the Maimmonides senior citizens' care center.

At Palm Paper in King's Lynn, England, Voith Paper commissions the stock preparation line that boasts the world's largest deinking capacity to date.

Voith Turbo Marine commits to a strategic partnership with Dutch winch specialist and manufacturer Ridderinkhof. In future, a winch system tailored to the Voith drive system will be offered to Voith customers.

October 2009

Voith Industrial Services Engineering develops an adapter – the interface between the carbon-fiber cockpit assembly and the steel test bed – for the cockpit of the new Airbus A350 XWB.

Voith Industrial Services signs multi-year master agreements with Vattenfall Europe covering the servicing of a series of gas turbine power plants.

The Baguari hydro power plant is opened in Brazil. Voith Hydro supplies the full complement of electromechanical equipment for the plant, which is situated 600 kilometers north of Rio de Janeiro. As of the end of January 2010, the plant's four bulb turbines will feed a total of 140 Megawatts into the Brazilian power grid.

Japanese customer Oji Paper Co. Ltd. signs a three-year mill service consulting agreement with Voith Paper for PM1 in Nantong, China.

